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Testimony of  
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Federal Communications Commission  
Field Hearing on Media Concentration  
Duke University Law School  
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Federal Communications Commission  
Office of the Secretary

Thank you Commissioner Copps for holding this hearing in North Carolina, and for offering the North Carolina Family Policy Council an opportunity to testify.

Modern communications are an essential part of life for today's family. From birth, our children are exposed to radio and television as their ~~parents utilize these devices for information gathering and~~ entertainment. As they learn to read, children become aware of additional sources of information in newspapers and the internet. We are all aware that changes in the media in the past several decades have brought exciting new possibilities and numerous challenges.

One of those challenges facing every family in America, is how to manage access for different family members to the various forms of media, especially television and the internet. Because of the powerful ability of the media to mold and shape our thoughts and our decisions, most of us realize that is necessary to regulate what we, and our ~~children, see and hear. The media today has the power to shape our~~ ideas and beliefs as people and as citizens of our state and nation.

As a civilized people, we recognize our responsibility to provide appropriate access to the media for our ourselves and our children. Contrast with this the fanatical way in which totalitarian regimes control access to truthful and helpful information their citizens are allowed to see. In our country, the FCC is charged with the difficult task of regulating licenses, frequencies, ownership and content.

It has been popular in recent years to deregulate many industries, which for years were closely regulated by the government, both at the state and national levels. While deregulation is considered by many to be desirable, and generally consistent with free-market economic principles, it may not always be best for society.

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Deregulation has generally been successful when large monopolies have been broken up by the courts or by legislation that allows more competition in an industry. These efforts have largely been successful because they give consumers more choice. However, the removal of government regulations to allow easier consolidation of ownership, in my opinion, should not be called deregulation. Such efforts may produce some economic efficiencies for the owners and operators of certain media outlets, but a casualty will often be the responsiveness to the consumer.

What consumers want is alternatives. Parents want to be able to send their children to more than one school. Homeowners want to have more than one choice for electricity, telephone service, cable TV and weed control. Most television viewers want many different types of programs of high quality that observe community standards. And advertisers want access to viewers at a reasonable price.

~~It is a maxim in economics~~ that consumers are generally better served when they have more choices than when they have fewer. It is clear that consolidation of ownership and management of media outlets in a community, whether they are television or radio stations, cable or satellite providers, or even newspapers, will decrease consumer choices and ultimately consumer satisfaction.

As ownership concentration is increased, prices charged to advertisers will likely go up and the responsiveness of the media to consumer concerns will go down. For these two reasons alone the FCC should not increase the ownership requirements beyond 35 percent. In fact, the public may be better served by a percentage lower than 35.

The media often reflects the philosophy of the person or corporation who owns a particular outlet. If that philosophy is liberal, conservative or libertarian in its outlook, then there is almost always a bias to the content of certain elements of that media. Controlling one-third of any given market is enough to provide any one owner with a platform to showcase whatever philosophy they have, and still allow room for other owners to build media outlets with competing or alternative views.

I told my two daughters Saturday night that I was going to work on some testimony for an FCC hearing. They wanted to know what about. I explained the 35 percent rule and asked them what they thought about it. Both responded, "its not right to make it greater." I asked them why. They said, "that's what they do under communism, when

one source controls all the media." You can tell they've been paying attention in school.

There are several other questions that should be raised to those seeking increases in media concentration. What is the appropriate percentage? Is it 10, 25, 35 or 50 percent? If the percentage is increased this year above 35 percent, what's to keep it from ratcheting up year after year? In our system of government, the political pressures to raise the percentage will continue to be there. As long as consolidation is allowed, in whatever percentage, there will be those who benefit from more consolidation. On the other side of the equation are consumers and the American people who will tend not to benefit from ownership consolidation.

Most of the programming for television shows comes from a fairly small segment of the American population. I doubt that many in this room would argue that the values of the "creative community" in Hollywood or New York reflect those of most residents of North Carolina or many other states. Yet many shows on television today seem to have a major goal of pushing a new moral agenda. This is especially true with most of the popular sitcoms that air in prime time when many children are viewing. Homosexuality, adultery and excessive violence are three of the main themes that are evident in varying degrees in most of these shows. The response of many families is to block channels, turn off the television, or get rid of it.

One of the major benefits of local ownership is that of programming control. Locally owned stations almost always have more flexibility when it comes to the programs they choose to air. They are able to assess local community needs and offer programs that are tailored to meet those needs. They also are usually more aware of local community standards and more likely to preempt network programming that does not meet those standards. This happened recently in Raleigh when one of our locally owned stations decided not to air a series of television shows that the owner deemed denigrating to marriage. The chances that a national network is going to change programming because of complaints from one segment of the market are much less.

Also, the accessibility of local owners means that they are going to be hearing from their viewers because they live in the community. It's just a fact of life that a local owner is more likely to know what people in his community are thinking and more likely to make adjustments in programming than is someone far removed from that community or a

station manager that is told by the network that they are going to run certain shows, no questions asked. The network employee can always say, "the decision is out of my hands." The local owner doesn't have that option.

This commission has the difficult and somewhat thankless task of sorting through all the competing claims and demands from media owners and politicians and making a decision on this and other important issues. I suggest that the first allegiance of the members of the committee be to the American people. How are the people best served? I submit that when you ask this question, you will find that the benefits of local ownership of media outlets will greatly outweigh all arguments for further consolidation.

Thank you.